

House Energy & Technology Committee  
Chair, Aric Nesbitt

SUBJECT: Michigan Conservative Energy Forum (MCEF) Testimony in  
SUPPORT of HB5397 (Haveman), "Municipal Utility Residential Clean  
Energy Program Act"



House Hearing  
March 11, 2014, 9:00am

TESTIMONY: Chairman Nesbitt, Committee Members, thank you for allowing the Michigan  
Conservative Energy Forum (MCEF) the opportunity to testify in support of HB 5397.

My name is Larry Ward, Executive Director of the Michigan Conservative Energy Forum.  
Our organization was formed in November of last year for the purpose of convening  
conservative leaders and organizations to join the conversation we're having about  
Michigan's energy future; and to develop and support conservative solutions to what we  
believe is an important part of an "All of the Above" energy strategy - Renewable Energy  
and Energy Efficiency.

Over the past 2 months, I have had the pleasure of sharing the Michigan Conservative  
Energy Forum's purpose and mission with many of you – and I look forward to meeting  
with those of you with whom I've not yet met.

I'm here today to share with you the reasons the Michigan Conservative Energy Forum  
supports HB 5397 and what it will accomplish:

1. HB 5397 features a truly MARKET DRIVEN approach to expanding Energy Efficiency  
programs by utilizing a funding system that includes PRIVATE institutions.

2. One of MCEF's main goals is seeking conservative SOLUTIONS to Michigan's energy future. HB 5397 is a creative energy solution that invokes some of the conservative principals we espouse – LOCAL CONTROL, COMMUNITY INVOLVEMENT, and, most importantly, a system that is VOLUNTARY for both the community and residential customer.
3. Finally, HB 5397 also offers a SOLUTION to the market's current failure to address "SPLIT INCENTIVES" – How to encourage ENERGY EFFICIENCY programs in rental situations where there is no incentive for the tenant?

In addition to being the Executive Director of the MCEF, I own 6 rental homes in the mid-Michigan area and believe that HB 5397 would greatly help incentivize energy efficiency improvements in the rental property market. HB 5397 – via the "ON-BILL" financing method, where improvements and the corresponding energy bill savings would help the tenant, and follow the home via electricity billings for successive tenants in follow-on years – would allow for Energy Efficiency incentives where both the Landlord and Tenant would benefit from home improvements.

According to a recent survey – and I've got copies for all of you -- 84% of the state's voters want Michigan to invest more in energy efficiency programs.

IN SUMMARY, the Michigan Conservative Energy Forum supports HB 5397. It represents a conservative approach to providing SOLUTIONS for improving ENERGY EFFICIENCY programs for the residents of Michigan.

Respectfully submitted,  
Larry J. Ward  
Executive Director  
Michigan Conservative Energy Forum